

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
and
OMB CIRCULAR A-133 SINGLE AUDIT REPORTS
YEAR ENDED JUNE 30, 2015**

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 443
Dodge City, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 443, as of and for the year ended June 30, 2015, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by Unified School District No. 443 to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion of U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Unified School District No. 443 as of June 30, 2015, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of Unified School District No. 443 as of June 30, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2015, on our consideration of the Unified School District No. 443’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Unified School District No. 443’s internal control over financial reporting and compliance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures, and unencumbered cash-district activity funds, and the schedule of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures (Schedule 2 as listed in the table of contents), upon which we rendered an unmodified opinion dated November 7, 2014 is also presented for comparative analysis and is not a required part of the 2015 basic financial statement. The 2014 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, at the following link: <http://da.ks.gov/ar/muniserv/>. Such 2014 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

October 23, 2015

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2015

<u>Funds</u>	<u>Beginning unencumbered cash balance (deficit)</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ 25,588	\$ 12,777	\$ 46,370,860
Supplemental general	842,772	4,665	15,555,339
Total general funds	868,360	17,442	61,926,199
Special purpose funds:			
Parents as teachers	22,410	-	65,512
Bilingual education	8,759	-	3,385,908
Capital outlay	1,076,569	160,800	8,230,504
Food service	514,000	-	4,124,612
Professional development	285,302	549	306,523
Special education	1,608,881	-	7,349,507
At risk	12,204	2	10,409,645
Virtual education	384	-	2,311
Summer school	763,679	-	58,546
Vocational education	664,071	-	1,323,000
KPERS special retirement contribution	-	-	4,287,688
4 year old at risk	4,136	-	286,974
Non-budgeted special purpose funds:			
Coke donation agreement	30,257	-	18,444
Textbook and student materials revolving	786,524	-	414,630
Civic Center	5,464	-	42,427
Pre-K pilot program	2,063	23	176,599
Building blocks grant	(12,894)	151	90,515
NCCEP	14,189	-	-
Gifts and grants	1,813,656	468	456,830
Contingency reserve	5,447,886	-	878,137
SAFE	37,877	-	-
Special purpose federal grant funds:			
Title I	-	-	1,466,743
Title I migrant	(233,052)	4	788,019
Head start	(449,781)	281	2,187,047
Kansas early head start	(99,372)	10	411,483
Program improvement/Carl Perkins 2014-2015	-	-	63,096
Title III English language acquisition	(163,101)	-	360,497
Title IIA teacher quality	-	-	217,404
Special purpose other funds:			
Kansas Heritage Center	88,761	-	66,687
District activity funds	344,885	-	711,301
Total special purpose funds	12,573,757	162,288	48,180,589

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 46,396,448	\$ 12,777	\$ 22,071	\$ 34,848
16,008,101	394,675	105,066	499,741
62,404,549	407,452	127,137	534,589
65,512	22,410	-	22,410
3,385,908	8,759	-	8,759
5,100,285	4,367,588	1,038,655	5,406,243
4,211,520	427,092	-	427,092
306,524	285,850	3,786	289,636
7,149,507	1,808,881	504	1,809,385
10,409,645	12,206	-	12,206
384	2,311	-	2,311
266,506	555,719	-	555,719
1,170,418	816,653	-	816,653
4,287,688	-	-	-
286,974	4,136	4,691	8,827
21,291	27,410	-	27,410
233,524	967,630	5,500	973,130
42,427	5,464	-	5,464
176,624	2,061	355	2,416
107,036	(29,264)	4	(29,260)
-	14,189	-	14,189
167,966	2,102,988	4,437	2,107,425
344,167	5,981,856	-	5,981,856
37,877	-	-	-
1,466,743	-	-	-
800,700	(245,729)	625	(245,104)
2,093,571	(356,024)	16,866	(339,158)
433,734	(121,613)	1,557	(120,056)
65,446	(2,350)	-	(2,350)
283,867	(86,471)	-	(86,471)
217,404	-	-	-
93,511	61,937	-	61,937
832,958	223,228	-	223,228
44,059,717	16,856,917	1,076,980	17,933,897

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2015

<u>Funds</u>	Beginning unencumbered cash balance (deficit)	Prior year canceled encumbrances	Receipts
Bond and interest funds:			
Special assessment	\$ 30,455	\$ -	\$ -
Bond and interest	2,881,952	-	5,896,883
Certificates of participation P & I 2010	2	-	-
Certificates of participation P & I 2011	-	-	1,961,326
Certificates of participation P & I 2014	-	-	35,500
Total bond and interest funds	<u>2,912,409</u>	<u>-</u>	<u>7,893,709</u>
Capital project fund:			
Construction	<u>188,502</u>	<u>26,223</u>	<u>80</u>
Trust fund:			
Marilyn Shipley Children Literacy	<u>5,196</u>	<u>-</u>	<u>201</u>
Total reporting entity (excluding agency funds)	<u>\$ 16,548,224</u>	<u>\$ 205,953</u>	<u>\$ 118,000,778</u>
Composition of cash balance:			
Checking accounts			
Money market accounts			
Certificates of deposit			
State municipal investment pool			
Trust accounts			
Petty cash			

Agency funds

Total reporting entity (excluding agency funds)

The notes to the financial statement are an integral part of this statement.

<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
\$ 7	\$ 30,448	\$ -	\$ 30,448
5,173,050	3,605,785	-	3,605,785
-	2	-	2
1,961,324	2	-	2
35,500	-	-	-
<u>7,169,881</u>	<u>3,636,237</u>	<u>-</u>	<u>3,636,237</u>
 15,395	 199,410	 -	 199,410
 227	 5,170	 -	 5,170
<u>\$ 113,649,769</u>	<u>\$ 21,105,186</u>	<u>\$ 1,204,117</u>	<u>\$ 22,309,303</u>
			\$ 18,991,459
			2,131,242
			1,000,000
			1,833,051
			5,176
			<u>130</u>
			23,961,058
			<u>(1,651,755)</u>
			<u>\$ 22,309,303</u>

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2015

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 443 is a municipal corporation governed by an elected seven-member board. This financial statement presents only Unified School District No. 443.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2015:

REGULATORY BASIS FUND TYPES

General funds – the chief operating funds. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest funds – used to account for the accumulation of resources (including tax levies, transfers from other funds) and payment of general long-term debt.

Capital Project fund – used to account for debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Trust fund – used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (student organization funds).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding fiscal year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The budgets of the following funds were amended:

<u>Fund</u>	<u>Original budget</u>	<u>Amended budget</u>
General	\$ 47,840,298	\$ 48,029,046
Virtual Education	384	2,695
At Risk	9,975,139	10,409,646

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for the certificates of participation funds, capital project fund, trust fund, district activity funds, and the following special purpose funds:

- Coke Donation Agreement
- Textbook and Student Materials Revolving
- Civic Center
- Pre-K Pilot Program
- Building Blocks Grant
- NCCEP
- Gifts and Grants
- Contingency Reserve
- SAFE
- Federal Grant Funds
- Kansas Heritage Center

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

5. Cash and Investments and Restricted Cash

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in interest-bearing deposits and disclosed as part of the District's cash balances. Unless specifically designated, all investment income is credited to funds designated by K.S.A. 10-131, K.S.A. 12-1677 and K.S.A. 72-6427. Investments are recorded at cost.

The cash in the Marilyn Shipley Children Literacy fund is restricted for the purchase of books.

6. In-Substance Receipt in Transit

The District received \$4,147,798 subsequent to June 30, 2015 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2015.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although certain special purpose grant funds overspent their cash balances, according to K.S.A. 12-1664 the District is not prohibited from financing the federal share of a local program from current funds if available.

C. DEPOSITS AND INVESTMENTS

As of June 30, 2015, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities</u>	<u>Rating</u>
Kansas Municipal Investment Pool	\$ 1,833,051	See below	AAAf
Federated Government Obligations Fund 395	11	Less than 1 year	AAAm
Funds at Community Foundation of SW Kansas	<u>5,170</u>	Less than 1 year	
	<u>\$ 1,838,232</u>		

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds to have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investments is noted above.

Concentration of credit risk. Investment types and percentages at cost are as follows: Kansas Municipal Investment Pool at 99.71%, the funds at the Community Foundation of Southwest Kansas make up 0.28%, and the Certificates of Participation and Construction Funds make up the remaining 0.01%.

Custodial credit risk – deposits. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2015.

At June 30, 2015, the District's carrying amount of deposits was \$22,122,701 and the bank balance was \$23,524,060. Of the bank balance, \$805,106 was covered by federal depository insurance and \$22,718,954 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At June 30, 2015, all uninsured investments were titled in the name of the District.

At June 30, 2015, the District had invested \$1,833,051 in the State's Municipal Investment Pool. The Municipal Investment Pool is under the oversight of the Pooled Money Investment Board. The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

D. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project commitments authorized	Cash disbursements and accounts payable to date	Remaining financial commitment
Phone System Upgrade	\$ 118,202	\$ -	\$ 118,202
Roof at Beeson Elementary	337,315	213,774	123,541
Carpet – Various District Buildings	171,722	-	171,722
Parking Lots (Sunnyside/DCHS)	651,754	164,482	487,272
Tennis Court Renovations	60,176	1,443	58,733
	<u>\$ 1,339,169</u>	<u>\$ 379,699</u>	<u>\$ 959,470</u>

E. LONG-TERM DEBT

Changes in long-term liabilities for the year ended June 30, 2015, were as follows:

Issue	Balance beginning of year	Additions/ net change	Reductions/ net change	Balance end of year	Interest paid
General obligation bonds:					
School building bonds - Series 2008					
Issued February 15, 2008					
In the amount of \$22,930,000					
At interest rate of 3.00% to 4.00%					
Maturing September 1, 2018	\$ 14,630,000	-	\$ 2,250,000	\$ 12,380,000	\$ 523,025
School building bonds - Series 2013					
Issued June 1, 2013					
In the amount of \$9,405,000					
At interest rate of 1.50% to 2.00%					
Maturing September 1, 2017	7,580,000	-	2,280,000	5,300,000	120,025
Total general obligation bonds	<u>22,210,000</u>	<u>-</u>	<u>4,530,000</u>	<u>17,680,000</u>	<u>643,050</u>

E. LONG-TERM DEBT (CONTINUED)

Issue	Balance beginning of year	Additions/ net change	Reductions/ net change	Balance end of year	Interest paid
Certificates of participation:					
Comanche Renovations – Series 2011					
Issued November 1, 2011					
In the amount of \$3,130,000					
At interest rate of 1.00%					
Maturing December 1, 2015	\$ 2,950,000	\$ -	\$ 1,935,000	\$ 1,015,000	\$ 24,675
HVAC – Beeson, Linn & Soule					
Issued April 1, 2014					
In the amount of \$1,360,000					
At interest rate of 2.50%					
Maturing April 1, 2017	<u>1,360,000</u>	<u>-</u>	<u>-</u>	<u>1,360,000</u>	<u>34,000</u>
Total certificates of participation	<u>4,310,000</u>	<u>-</u>	<u>1,935,000</u>	<u>2,375,000</u>	<u>58,675</u>
Total long-term debt	<u>\$26,520,000</u>	<u>\$ -</u>	<u>\$ 6,465,000</u>	<u>\$20,055,000</u>	<u>\$ 701,725</u>

Current maturities of general obligation bonds and interest through maturity are as follows:

	Principal due	Interest due	Total due
2016	\$ 4,635,000	\$ 528,900	\$ 5,163,900
2017	4,760,000	402,750	5,162,750
2018	4,320,000	239,000	4,559,000
2019	<u>3,965,000</u>	<u>79,300</u>	<u>4,044,300</u>
Total	<u>\$ 17,680,000</u>	<u>\$ 1,249,950</u>	<u>\$ 18,929,950</u>

Current maturities of certificates of participation and interest through maturity are as follows:

	Principal due	Interest due	Total due
2016	\$ 1,955,000	\$ 39,075	\$ 1,994,075
2017	<u>420,000</u>	<u>10,500</u>	<u>430,500</u>
Total	<u>\$ 2,375,000</u>	<u>\$ 49,575</u>	<u>\$ 2,424,575</u>

F. OPERATING LEASES

The District has entered into operating lease agreements for copier rental and maintenance, facility space, mail system equipment and fiber optic networking. Rental payments for the current year totaled \$357,421. The operating lease agreements expire at various dates through the year 2020.

The following is a yearly schedule of future minimum rental payments under the operating leases:

2016	\$ 335,631
2017	264,194
2018	264,194
2019	264,194
2020	<u>3,523</u>
	<u>\$ 1,131,736</u>

G. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General	Bilingual	\$ 3,385,908	K.S.A. 72-6428
General	Capital Outlay	5,725,915	K.S.A. 72-6428
General	Professional Development	306,523	K.S.A. 72-6428
General	Special Education	4,929,738	K.S.A. 72-6428
General	Vocational Education	1,323,000	K.S.A. 72-6428
General	Parents as Teachers	25,807	K.S.A. 72-6428
General	At Risk	10,409,645	K.S.A. 72-6428
General	Contingency Reserve	878,137	K.S.A. 72-6428
General	4 Year Old At Risk	286,974	K.S.A. 72-6428
General	Virtual Education	<u>2,311</u>	K.S.A. 72-6428
Total General		<u>27,273,958</u>	
Supplemental General	Textbook and Student Materials Revolving	200,000	K.S.A. 72-6433
Supplemental General	Special Education	<u>2,419,769</u>	K.S.A. 72-6433
Total Supplemental General		<u>2,619,769</u>	
Capital Outlay	COP Principal & Interest	<u>1,996,825</u>	Resolution
Virtual Education	General	<u>384</u>	K.S.A. 72-6460
SAFE	Gifts & Grants	<u>37,877</u>	Resolution
Total operating transfers		<u>\$31,928,813</u>	

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for medical insurance premiums, unreimbursed medical expenses, and qualified dependent care expenses. The plan is administered by a third party administrator.

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated absences. The District's policy is to recognize the costs of compensated absences when actually paid. District policies regarding vacation and sick pay permit full-time classified employees to earn five days of vacation at the close of the first year and ten days after each subsequent year of service up to ten years. After ten years of service, fifteen days are earned. Anniversary dates for vacation purposes are July 1st to correspond with the fiscal year of the District. Vacation time is prorated for new or separating employees who do not complete a full fiscal year of employment on a July 1 through June 30 cycle. Policies prohibit payment for vacation time in lieu of time off. Sick leave, for all employees, may be accumulated at the rate of twelve days per year up to a total accumulation of one hundred days. In the event of retirement, resignation or termination of service, accumulated sick leave is lost. In the event of death, the beneficiary of the employee may receive payment for the amount of accumulated sick leave or one and one-half additional months pay from the time of death, whichever is greater.

I. DEFINED BENEFIT PENSION PLAN

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, etc. seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas, Suite 100; Topeka, KS 66603), at the following website: www.kpers.org or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July, 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. Member employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

The State of Kansas is required to contribute the statutory required employers share.

Net Pension Liability. The total net pension liability for KPERS was determined by an actuarial valuation as of December 31, 2013, which was rolled forward to June 30, 2014. As of June 30, 2014 the net pension liability for KPERS was \$8,291,794,910. KPERS has determined the District's proportionate share of the net pension liability is \$58,104,075 as of June 30, 2014. The complete actuarial valuation report including all actuarial assumptions and methods is publically available on the website at www.kpers.org or can be obtained as described in the first paragraph above.

J. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters, and medical needs of employees. The District purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

K. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and State pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2015.

L. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 23, 2015, the date on which the financial statement was available to be issued. Management's evaluation concluded that there is one subsequent event that is required to be disclosed:

A bond issue passed June 25, 2015 for various projects within the District not to exceed \$85,600,000. The bonds have yet to be issued.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015

<u>Funds</u>	<u>Certified budget</u>	<u>Budget credit</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:						
General	\$ 48,029,046	\$ 14,132	\$ (1,646,730)	\$ 46,396,448	\$ 46,396,448	\$ -
Supplemental general	16,408,181	-	(400,080)	16,008,101	16,008,101	-
Special purpose funds:						
Parents as teachers	65,512	-	-	65,512	65,512	-
Bilingual education	3,448,990	-	-	3,448,990	3,385,908	63,082
Capital outlay	6,499,875	-	-	6,499,875	5,100,285	1,399,590
Food service	4,635,870	-	-	4,635,870	4,211,520	424,350
Professional development	400,000	-	-	400,000	306,524	93,476
Special education	9,234,527	-	-	9,234,527	7,149,507	2,085,020
At risk	10,409,646	-	-	10,409,646	10,409,645	1
Virtual education	2,695	-	-	2,695	384	2,311
Summer school	600,000	-	-	600,000	266,506	333,494
Vocational education	1,400,000	-	-	1,400,000	1,170,418	229,582
KPERS special retirement contribution	5,240,126	-	-	5,240,126	4,287,688	952,438
4 year old at risk	286,974	-	-	286,974	286,974	-
Bond and interest funds:						
Special assessment	30,455	-	-	30,455	7	30,448
Bond and interest	5,174,050	-	-	5,174,050	5,173,050	1,000
Total	<u>\$ 111,865,947</u>	<u>\$ 14,132</u>	<u>\$ (2,046,810)</u>	<u>\$ 109,833,269</u>	<u>\$ 104,218,477</u>	<u>\$ 5,614,792</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared receipts:				
Tax in process	\$ 81,438	\$ -	\$ -	\$ -
Current tax	3,557,123	-	-	-
Delinquent tax	108,518	-	-	-
In lieu of tax	130,775	-	102,650	(102,650)
State sources:				
State aid - general	36,639,671	41,616,138	41,445,138	171,000
State aid - special education	4,747,990	4,729,738	6,457,867	(1,728,129)
Mineral production tax and other	20,627	24,600	-	24,600
Operating transfers	91,244	384	384	-
Total receipts	<u>45,377,386</u>	<u>46,370,860</u>	<u>\$48,006,039</u>	<u>\$ (1,635,179)</u>
Expenditures:				
Instruction	12,225,783	12,462,274	\$14,616,600	\$ 2,154,326
Student support services	23,956	25,666	55,800	30,134
Instructional support staff	291,453	379,425	413,000	33,575
General administration	698,530	740,033	1,050,700	310,667
School administration	127,402	176,798	239,450	62,652
Central services	1,143,872	1,284,584	1,289,505	4,921
Operations and maintenance	2,151,010	2,182,523	3,590,100	1,407,577
Student transportation services:				
Supervision	125,606	133,140	141,000	7,860
Vehicle operating services	1,116,199	1,251,557	1,449,800	198,243
Vehicle services and maintenance services	263,428	322,872	272,100	(50,772)
Other support services	161,873	163,618	170,900	7,282
Community services operations	-	-	549,295	549,295
Operating transfers	27,029,807	27,273,958	24,190,796	(3,083,162)
Budget credit	-	-	14,132	14,132
Adjustment to comply with legal maximum budget	-	-	(1,646,730)	(1,646,730)
Total expenditures	<u>45,358,919</u>	<u>46,396,448</u>	<u>\$46,396,448</u>	<u>\$ -</u>
Receipts over (under) expenditures	18,467	(25,588)		
Unencumbered cash, beginning of year	4,538	25,588		
Prior year canceled encumbrances	2,583	12,777		
Unencumbered cash, end of year	<u>\$ 25,588</u>	<u>\$ 12,777</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes and shared receipts:				
Tax in process	\$ 130,536	\$ 204,674	\$ 205,281	\$ (607)
Current tax	5,930,551	3,248,354	3,335,332	(86,978)
Delinquent tax	178,779	170,748	111,369	59,379
Motor vehicle tax	755,373	728,479	527,175	201,304
Recreational vehicle tax	5,223	5,070	3,548	1,522
In lieu of tax	199,078	103,359	157,478	(54,119)
State aid	8,582,187	11,094,655	11,723,645	(628,990)
Total receipts	15,781,727	15,555,339	\$ 16,063,828	\$ (508,489)
Expenditures:				
Instruction	1,383,582	1,555,849	\$ 1,981,440	\$ 425,591
Student support services	885,568	1,069,526	1,092,800	23,274
Instructional support staff	1,075,258	1,025,489	1,143,400	117,911
General administration	155,724	127,778	212,500	84,722
School administration	3,693,208	3,796,153	3,869,800	73,647
Central services	691,508	730,634	758,800	28,166
Operations and maintenance	5,002,187	5,082,903	4,129,773	(953,130)
Vehicle operating services	150,000	-	150,000	150,000
Architectural & engineering services	-	-	278,829	278,829
Operating transfers	2,177,965	2,619,769	2,790,839	171,070
Adjustment to comply with legal maximum budget	-	-	(400,080)	(400,080)
Total expenditures	15,215,000	16,008,101	\$ 16,008,101	\$ -
Receipts over (under) expenditures	566,727	(452,762)		
Unencumbered cash, beginning of year	275,599	842,772		
Prior year canceled encumbrances	446	4,665		
Unencumbered cash, end of year	\$ 842,772	\$ 394,675		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

PARENTS AS TEACHERS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ 39,705	\$ 39,705	\$ 39,705	\$ -
Transfer from general fund	25,808	25,807	25,807	-
Total receipts	65,513	65,512	\$ 65,512	\$ -
Expenditures:				
Instruction	6,822	596	\$ -	\$ (596)
Student support services	49,806	50,313	64,012	13,699
General administration	7,384	10,079	-	(10,079)
School administration	1,500	4,524	-	(4,524)
Other supplemental services	-	-	1,500	1,500
Total expenditures	65,512	65,512	\$ 65,512	\$ -
Receipts over (under) expenditures	1	-		
Unencumbered cash, beginning of year	22,409	22,410		
Unencumbered cash, end of year	\$ 22,410	\$ 22,410		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

BILINGUAL EDUCATION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	<u>\$ 3,433,859</u>	<u>\$ 3,385,908</u>	<u>\$ 3,446,384</u>	<u>\$ (60,476)</u>
Expenditures:				
Instruction	3,335,705	3,286,174	\$ 3,346,745	\$ 60,571
Student support services	46,295	46,073	48,352	2,279
Instructional support staff	-	482	-	(482)
School administration	<u>51,859</u>	<u>53,179</u>	<u>53,893</u>	<u>714</u>
Total expenditures	<u>3,433,859</u>	<u>3,385,908</u>	<u>\$ 3,448,990</u>	<u>\$ 63,082</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	<u>8,759</u>	<u>8,759</u>		
Unencumbered cash, end of year	<u>\$ 8,759</u>	<u>\$ 8,759</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

CAPITAL OUTLAY FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared receipts:				
Tax in process	\$ 17,316	\$ 2,353	\$ 2,507	\$ (154)
Current tax	68,026	1,556,948	1,412,559	144,389
Delinquent tax	16,998	9,387	1,280	8,107
Motor vehicle tax	25,756	67,746	46,639	21,107
Recreational vehicle tax	162	480	314	166
In lieu of tax	2,289	49,704	13,940	35,764
Interest	2,922	2,536	-	2,536
State aid	-	713,567	963,864	(250,297)
Other	74,241	101,868	1,000,000	(898,132)
Transfer from general fund	2,293,670	5,725,915	1,996,675	3,729,240
Total receipts	<u>2,501,380</u>	<u>8,230,504</u>	<u>\$ 5,437,778</u>	<u>\$ 2,792,726</u>
Expenditures:				
Instruction	1,711,653	194,432	\$ 1,700,000	\$ 1,505,568
School administration	-	2,940	-	(2,940)
Central services	-	5,958	-	(5,958)
Operations and maintenance	331,150	910,960	1,000,000	89,040
Transportation	-	25,917	-	(25,917)
Facility acquisition and construction services:				
Architectural and engineering services	201,857	189,240	250,000	60,760
New building acquisition and construction	-	-	15,000	15,000
Building additions	7,150	709,171	-	(709,171)
Site acquisition	-	46,520	-	(46,520)
Site improvement	22,768	823,978	888,000	64,022
Building improvements	661,649	194,344	650,000	455,656
Other	175	-	200	200
Operating transfers	1,954,725	1,996,825	1,996,675	(150)
Total expenditures	<u>4,891,127</u>	<u>5,100,285</u>	<u>\$ 6,499,875</u>	<u>\$ 1,399,590</u>
Receipts over (under) expenditures	(2,389,747)	3,130,219		
Unencumbered cash, beginning of year	3,452,720	1,076,569		
Prior year canceled encumbrances	13,596	160,800		
Unencumbered cash, end of year	<u>\$ 1,076,569</u>	<u>\$ 4,367,588</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Federal aid	\$ 3,359,803	\$ 3,580,821	\$ 3,462,173	\$ 118,648
State aid	44,401	46,192	39,080	7,112
Interest	11	11	50	(39)
Charges for services	530,758	496,026	831,968	(335,942)
Other	1,300	1,562	2,500	(938)
Total receipts	<u>3,936,273</u>	<u>4,124,612</u>	<u>\$ 4,335,771</u>	<u>\$ (211,159)</u>
Expenditures:				
Instruction	4,381	9,699	\$ -	\$ (9,699)
Operations and maintenance	38,225	37,603	47,500	9,897
Food service operations	<u>3,945,616</u>	<u>4,164,218</u>	<u>4,588,370</u>	<u>424,152</u>
Total expenditures	<u>3,988,222</u>	<u>4,211,520</u>	<u>\$ 4,635,870</u>	<u>\$ 424,350</u>
Receipts over (under) expenditures	(51,949)	(86,908)		
Unencumbered cash, beginning of year	565,299	514,000		
Prior year canceled encumbrances	<u>650</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ 514,000</u>	<u>\$ 427,092</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from general fund	\$ 229,696	\$ 306,523	\$ 200,000	\$ 106,523
Expenditures:				
Student support services	663	1,021	\$ -	\$ (1,021)
Instructional support staff	228,963	305,503	395,000	89,497
Other supplemental services	-	-	5,000	5,000
Total expenditures	229,626	306,524	\$ 400,000	\$ 93,476
Receipts over (under) expenditures	70	(1)		
Unencumbered cash, beginning of year	285,163	285,302		
Prior year canceled encumbrances	69	549		
Unencumbered cash, end of year	\$ 285,302	\$ 285,850		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SPECIAL EDUCATION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfers from:				
General fund	\$ 5,333,426	\$ 4,929,738	\$ 6,500,000	\$(1,570,262)
Supplemental general fund	2,000,000	2,419,769	2,408,839	10,930
Total receipts	<u>7,333,426</u>	<u>7,349,507</u>	<u>\$ 8,908,839</u>	<u>\$(1,559,332)</u>
Expenditures:				
Instruction	6,830,748	6,840,556	\$ 8,909,532	\$ 2,068,976
Student support services	42,957	48,642	50,385	1,743
Instructional support staff	500	-	3,100	3,100
Student transportation services:				
Vehicle operating service	235,893	236,261	271,510	35,249
Vehicle services and maintenance services	<u>23,328</u>	<u>24,048</u>	<u>-</u>	<u>(24,048)</u>
Total expenditures	<u>7,133,426</u>	<u>7,149,507</u>	<u>\$ 9,234,527</u>	<u>\$ 2,085,020</u>
Receipts over (under) expenditures	200,000	200,000		
Unencumbered cash, beginning of year	<u>1,408,881</u>	<u>1,608,881</u>		
Unencumbered cash, end of year	<u>\$ 1,608,881</u>	<u>\$ 1,808,881</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

AT RISK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	\$10,015,261	\$10,409,645	\$10,409,645	\$ -
Expenditures:				
Instruction	9,138,329	9,468,884	\$ 9,403,513	\$ (65,371)
Student support services	630,945	656,743	663,260	6,517
School administration	208,812	258,430	292,373	33,943
Operations and maintenance	37,175	25,588	50,500	24,912
Total expenditures	10,015,261	10,409,645	\$10,409,646	\$ 1
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	11,441	12,204		
Prior year canceled encumbrances	763	2		
Unencumbered cash, end of year	\$ 12,204	\$ 12,206		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	\$ -	\$ 2,311	\$ 2,311	\$ -
Expenditures:				
Instruction	-	-	\$ 2,311	\$ 2,311
Transfer to general fund	47,546	384	384	-
Total expenditures	47,546	384	\$ 2,695	\$ 2,311
Receipts over (under) expenditures	(47,546)	1,927		
Unencumbered cash, beginning of year	47,930	384		
Unencumbered cash, end of year	\$ 384	\$ 2,311		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SUMMER SCHOOL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Fees	\$ 105,152	\$ 58,546	\$ 110,000	\$ (51,454)
Expenditures:				
Instruction	215,349	240,488	\$ 535,750	\$ 295,262
Student support services	2,358	5,322	16,750	11,428
Student transportation services:				
Supervision	1,800	1,516	-	(1,516)
Vehicle operating services	17,800	19,180	-	(19,180)
Other supplemental services	-	-	47,500	47,500
Total expenditures	237,307	266,506	\$ 600,000	\$ 333,494
Receipts over (under) expenditures	(132,155)	(207,960)		
Unencumbered cash, beginning of year	895,834	763,679		
Unencumbered cash, end of year	\$ 763,679	\$ 555,719		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

VOCATIONAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from general fund	<u>\$ 1,192,200</u>	<u>\$ 1,323,000</u>	<u>\$ 1,323,000</u>	<u>\$ -</u>
Expenditures:				
Instruction	1,093,753	1,095,745	\$ 1,310,300	\$ 214,555
School administration	19,460	21,598	28,200	6,602
Operations and maintenance	<u>52,987</u>	<u>53,075</u>	<u>61,500</u>	<u>8,425</u>
Total expenditures	<u>1,166,200</u>	<u>1,170,418</u>	<u>\$ 1,400,000</u>	<u>\$ 229,582</u>
Receipts over (under) expenditures	26,000	152,582		
Unencumbered cash, beginning of year	<u>638,071</u>	<u>664,071</u>		
Unencumbered cash, end of year	<u>\$ 664,071</u>	<u>\$ 816,653</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		
	2014	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State aid	\$ 4,295,185	\$ 4,287,688	\$ 5,240,126	\$ (952,438)
Expenditures:				
Instruction	2,607,177	2,591,050	\$ 3,171,690	\$ 580,640
Student support services	304,958	293,707	338,448	44,741
Instructional support staff	122,413	117,911	153,083	35,172
General administration	90,628	93,043	109,687	16,644
School administration	376,258	379,032	478,353	99,321
Central services	163,647	168,934	201,152	32,218
Operations and maintenance	328,582	339,156	404,351	65,195
Student transportation services	124,990	126,487	159,900	33,413
Other support services	9,449	15,436	23,873	8,437
Food service operations	167,083	162,932	199,589	36,657
Total expenditures	4,295,185	4,287,688	\$ 5,240,126	\$ 952,438
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

4 YEAR OLD AT RISK FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
 (With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from general fund	\$ 285,931	\$ 286,974	\$ 286,974	\$ -
Expenditures:				
Instruction	209,959	219,963	\$ 206,400	\$ (13,563)
Student support services	56,200	47,203	60,743	13,540
Instructional support staff	-	-	13,661	13,661
General administration	-	14,791	-	(14,791)
School administration	2,632	24	1,000	976
Central services	17,140	4,684	5,170	486
Food service operation	-	309	-	(309)
Total expenditures	285,931	286,974	\$ 286,974	\$ -
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	4,136	4,136		
Unencumbered cash, end of year	\$ 4,136	\$ 4,136		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2015

	Coke Donation Agreement	Textbook and Student Materials Revolving	Civic Center
Receipts:			
Donations	\$ 18,444	\$ -	\$ -
Federal aid	-	-	-
State aid	-	-	-
Fees	-	214,630	42,427
Transfers from:			
General fund	-	-	-
Supplemental general fund	-	200,000	-
SAFE	-	-	-
	<u>18,444</u>	<u>414,630</u>	<u>42,427</u>
Total receipts			
Expenditures:			
Instruction	20,900	229,028	-
Student support services	-	-	-
Instructional support staff	-	-	-
General administration	73	-	-
School administration	-	-	-
Operations and maintenance	58	-	-
Student transportation services:			
Supervision	260	-	-
Vehicle operating services	-	-	-
Vehicle and maintenance services	-	-	-
Civic Center operations	-	-	42,427
Other supplemental services	-	4,496	-
Facility acquisition and construction services:			
Building additions	-	-	-
Operating transfers out	-	-	-
	<u>21,291</u>	<u>233,524</u>	<u>42,427</u>
Total expenditures			
Receipts over (under) expenditures	(2,847)	181,106	-
Unencumbered cash (deficit), beginning of year	30,257	786,524	5,464
Prior year canceled encumbrances	-	-	-
Unencumbered cash (deficit), end of year	<u>\$ 27,410</u>	<u>\$ 967,630</u>	<u>\$ 5,464</u>

See Independent Auditor's Report.

Pre-K Pilot Program	Building Blocks Grant	NCCEP	Gifts and Grants	Contingency Reserve	SAFE	Total
\$ -	\$ -	\$ -	\$ 386,639	\$ -	\$ -	\$ 405,083
-	-	-	20,314	-	-	20,314
176,599	90,515	-	12,000	-	-	279,114
-	-	-	-	-	-	257,057
-	-	-	-	878,137	-	878,137
-	-	-	-	-	-	200,000
-	-	-	37,877	-	-	37,877
176,599	90,515	-	456,830	878,137	-	2,077,582
87,730	60,393	-	49,178	344,167	-	791,396
40,045	-	-	199	-	-	40,244
6,861	5,534	-	10,222	-	-	22,617
3,699	-	-	-	-	-	3,772
8,008	-	-	-	-	-	8,008
-	-	-	5,303	-	-	5,361
-	35,301	-	-	-	-	35,561
25,596	4,620	-	-	-	-	30,216
-	1,188	-	1,926	-	-	3,114
-	-	-	-	-	-	42,427
4,685	-	-	1,020	-	-	10,201
-	-	-	100,118	-	-	100,118
-	-	-	-	-	37,877	37,877
176,624	107,036	-	167,966	344,167	37,877	1,130,912
(25)	(16,521)	-	288,864	533,970	(37,877)	946,670
2,063	(12,894)	14,189	1,813,656	5,447,886	37,877	8,125,022
23	151	-	468	-	-	642
\$ 2,061	\$ (29,264)	\$ 14,189	\$ 2,102,988	\$ 5,981,856	\$ -	\$ 9,072,334

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SPECIAL PURPOSE FEDERAL GRANT FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2015

	<u>Title I</u>	<u>Title I Migrant</u>	<u>Head Start</u>
Receipts			
Federal aid	\$ 1,466,743	\$ 788,019	\$ 1,765,359
Third party in-kind match	-	-	421,688
	<u>1,466,743</u>	<u>788,019</u>	<u>2,187,047</u>
Total receipts			
Expenditures:			
Instruction	612,678	571,826	1,194,202
Student support services	461,339	46,073	405,058
Instructional support staff	167,383	34,715	61,587
General administration	221,388	83,275	117,888
School administration	-	10,933	95,777
Operations and maintenance	3,955	21,336	134,711
Student transportation services:			
Supervision	-	31,847	31,208
Vehicle operating services	-	-	400
Other supplemental services	-	-	30,451
Food service operations	-	-	22,289
Refund to state	-	695	-
	<u>1,466,743</u>	<u>800,700</u>	<u>2,093,571</u>
Total expenditures			
Receipts over (under) expenditures	-	(12,681)	93,476
Unencumbered cash (deficit), beginning of year	-	(233,052)	(449,781)
Prior year canceled encumbrances	-	4	281
	<u>\$ -</u>	<u>\$ (245,729)</u>	<u>\$ (356,024)</u>
Unencumbered cash (deficit), end of year			

See Independent Auditor's Report.

Kansas Early Head Start	Program Improvement	Title III English Language Acquisition	Title IIA Teacher Quality	Total
\$ 411,483	\$ 63,096	\$ 360,497	\$ 217,404	\$ 5,072,601
-	-	-	-	421,688
411,483	63,096	360,497	217,404	5,494,289
77,637	62,467	141,763	94,858	2,755,431
265,656	-	62,299	111,134	1,351,559
-	-	74,135	6,890	344,710
74,199	2,979	5,670	4,522	509,921
8,218	-	-	-	114,928
997	-	-	-	160,999
-	-	-	-	63,055
-	-	-	-	400
7,027	-	-	-	37,478
-	-	-	-	22,289
-	-	-	-	695
433,734	65,446	283,867	217,404	5,361,465
(22,251)	(2,350)	76,630	-	132,824
(99,372)	-	(163,101)	-	(945,306)
10	-	-	-	295
\$ (121,613)	\$ (2,350)	\$ (86,471)	\$ -	\$ (812,187)

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

KANSAS HERITAGE CENTER FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>2014</u>	<u>2015</u>
Receipts:		
Other charges/sales/grants/donations	\$ 37,134	\$ 66,687
Expenditures:		
Student support services	<u>43,413</u>	<u>93,511</u>
Receipts over (under) expenditures	(6,279)	(26,824)
Unencumbered cash, beginning of year	<u>95,040</u>	<u>88,761</u>
Unencumbered cash, end of year	<u><u>\$ 88,761</u></u>	<u><u>\$ 61,937</u></u>

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS

SPECIAL ASSESSMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Site improvement services	1	7	\$ 30,455	\$ 30,448
Receipts over (under) expenditures	(1)	(7)		
Unencumbered cash, beginning of year	30,456	30,455		
Unencumbered cash, end of year	\$ 30,455	\$ 30,448		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

BOND AND INTEREST FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

		2015		Variance
	2014	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes and shared receipts:				
Tax in process	\$ 52,467	\$ 66,024	\$ 65,688	\$ 336
Current tax	1,913,306	2,415,008	2,185,878	229,130
Delinquent tax	75,292	62,695	35,920	26,775
Motor vehicle tax	280,994	273,878	196,750	77,128
Recreational vehicle tax	1,938	1,912	1,324	588
In lieu of tax	64,210	76,997	58,788	18,209
State sources:				
State aid	2,993,418	3,000,369	3,000,369	-
Total receipts	<u>5,381,625</u>	<u>5,896,883</u>	<u>\$ 5,544,717</u>	<u>\$ 352,166</u>
Expenditures:				
Debt service:				
Principal	4,240,000	4,530,000	\$ 4,530,000	\$ -
Interest	921,066	643,050	643,050	-
Commission and postage	-	-	1,000	1,000
Total expenditures	<u>5,161,066</u>	<u>5,173,050</u>	<u>\$ 5,174,050</u>	<u>\$ 1,000</u>
Receipts over (under) expenditures	220,559	723,833		
Unencumbered cash, beginning of year	<u>2,661,393</u>	<u>2,881,952</u>		
Unencumbered cash, end of year	<u>\$ 2,881,952</u>	<u>\$ 3,605,785</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

CERTIFICATES OF PARTICIPATION

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended June 30, 2015

	Certificates of Participation P & I 2010	Certificates of Participation P & I 2011	Certificates of Participation P & I 2014	Total
Receipts:				
Interest	\$ -	\$ 3	\$ -	\$ 3
Transfer from capital outlay	-	1,961,323	35,500	1,996,823
Total receipts	-	1,961,326	35,500	1,996,826
Expenditures:				
Debt service:				
Principal	-	1,935,000	-	1,935,000
Interest	-	24,675	34,000	58,675
Commissions	-	1,649	1,500	3,149
Total expenditures	-	1,961,324	35,500	1,996,824
Receipts over (under) expenditures	-	2	-	2
Unencumbered cash, beginning of year	2	-	-	2
Unencumbered cash, end of year	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 4</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

CONSTRUCTION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>2014</u>	<u>2015</u>
Receipts:		
Interest	\$ 28	\$ 80
Bond premiums	47,459	-
Debt proceeds	<u>1,360,000</u>	<u>-</u>
Total receipts	<u>1,407,487</u>	<u>80</u>
Expenditures:		
Architectural and engineering services	94,000	-
Repair and remodeling building	1,297,700	-
Debt service	<u>16,181</u>	<u>15,395</u>
Total expenditures	<u>1,407,881</u>	<u>15,395</u>
Receipts over (under) expenditures	(394)	(15,315)
Unencumbered cash, beginning of year	188,896	188,502
Prior year canceled encumbrances	<u>-</u>	<u>26,223</u>
Unencumbered cash, end of year	<u><u>\$ 188,502</u></u>	<u><u>\$ 199,410</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

MARILYN SHIPLEY CHILDREN LITERACY FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2015
(With Comparative Actual Totals for the Prior Year Ended June 30, 2014)

	<u>2014</u>	<u>2015</u>
Receipts:		
Gain (loss) on investments	\$ 972	\$ 201
Expenditures:		
Grants paid	<u>404</u>	<u>227</u>
Receipts over (under) expenditures	568	(26)
Unencumbered cash, beginning of year	<u>4,628</u>	<u>5,196</u>
Unencumbered cash, end of year	<u><u>\$ 5,196</u></u>	<u><u>\$ 5,170</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2015

Funds	Beginning unencumbered cash balance (deficit)	Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
District activities:						
Gate receipts:						
Dodge City High School:						
Athletics	\$ 8,759	\$ 75,079	\$ 83,781	\$ 57	\$ -	\$ 57
Club services	97	29,471	29,563	5	-	5
Sub-State	66	40,085	39,104	1,047	-	1,047
Advertising	3,110	35,402	33,518	4,994	-	4,994
Tournament of Champions	24,695	20,669	31,108	14,256	-	14,256
All sports booster	379	-	320	59	-	59
WAC medals	1,538	2,198	2,451	1,285	-	1,285
Gate receipts	159	72,599	72,758	-	-	-
Honors banquet	15	5,511	3,000	2,526	-	2,526
Activity ticket	1	16,000	16,000	1	-	1
Dodge City Middle School:						
Athletics	6,679	45,140	43,313	8,506	-	8,506
Comanche Middle School:						
Coyote athletics	6,305	42,377	48,087	595	-	595
Total gate receipts	51,803	384,531	403,003	33,331	-	33,331
School projects:						
Youthville Farm	-	494	-	494	-	494
Mechanics	703	418	-	1,121	-	1,121
Floral design	7,808	671	-	8,479	-	8,479
Greenhouse	11,322	1,923	8,808	4,437	-	4,437
Livestock	10,134	394	758	9,770	-	9,770
Woodworking	13,183	160	2,662	10,681	-	10,681
Building trades - house	80,697	174,384	208,229	46,852	-	46,852
Building trades - non/house	7,449	10,226	6,707	10,968	-	10,968
Pass tuition	2,126	-	-	2,126	-	2,126
Food service	2,203	3,826	4,199	1,830	-	1,830
RIF	6	-	-	6	-	6
Adopt-a-Book	4	-	-	4	-	4
Comanche business partner	1,942	586	220	2,308	-	2,308
S.A.F.E.	483	-	483	-	-	-
DCHS - Drama/Forensics	6,063	-	-	6,063	-	6,063
Bright Beginnings courtesy	4,968	3,301	3,376	4,893	-	4,893
Bright Beginnings-United Way	33,006	15,500	5,811	42,695	-	42,695
Migrant	130	700	141	689	-	689
The Learning Center	4,439	20,060	20,179	4,320	-	4,320
Money market interest	21,619	158	-	21,777	-	21,777
DCHS - Alumni Association	66,549	365	951	65,963	-	65,963

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2015

Funds	Beginning unencumbered cash balance (deficit)	Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
School projects (continued):						
Dodge City High School:						
Basketball scoring table	\$ 8,803	\$ 3,000	\$ 5,716	\$ 6,087	\$ -	\$ 6,087
ID	831	270	353	748	-	748
Scholar bowl	210	5,923	3,063	3,070	-	3,070
Student planner	644	468	754	358	-	358
Course catalog	119	1,080	1,054	145	-	145
Yearbook	6,581	19,768	25,697	652	-	652
Activity improvements	(23,835)	6,642	73,822	(91,015)	-	(91,015)
Parent-teacher conferences	233	-	-	233	-	233
Wellness	86	-	-	86	-	86
Hearing impaired	495	-	-	495	-	495
Concessions	5,271	10,665	12,948	2,988	-	2,988
Lost equipment	60	-	-	60	-	60
Dodge City Middle School:						
Library/book fair	162	-	-	162	-	162
Students & building needs	3,541	3,177	5,394	1,324	-	1,324
Art smart	1,208	-	489	719	-	719
KS school health survey	236	-	-	236	-	236
Partners in Education	183	-	-	183	-	183
Students in need	8	-	-	8	-	8
T-shirts	1,403	4,962	5,834	531	-	531
Learning tree	500	-	-	500	-	500
Student testing rewards	115	-	-	115	-	115
DCMS Sports	-	5,944	5,537	407	-	407
Information Technology	-	92	7	85	-	85
Comanche Middle School:						
Library/book fair	340	82	22	400	-	400
T-shirts	767	8,164	8,156	775	-	775
Poster ads	375	2,100	1,931	544	-	544
Soule Elementary	161	2,187	2,208	140	-	140
Beeson Elementary	388	238	238	388	-	388
Central Elementary	2,417	2,511	1,559	3,369	-	3,369
Linn Elementary	2,109	1,935	2,023	2,021	-	2,021
Miller Elementary	290	2,959	2,793	456	-	456
Northwest Elementary	2,766	1,165	159	3,772	-	3,772
Sunnyside Elementary	1,333	4,717	3,869	2,181	-	2,181
Wilroads Elementary	288	2,614	2,572	330	-	330
Ross Elementary	160	2,941	1,233	1,868	-	1,868
Total school projects	293,082	326,770	429,955	189,897	-	189,897
Total district activity funds	\$ 344,885	\$ 711,301	\$ 832,958	\$ 223,228	\$ -	\$ 223,228

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

AGENCY FUNDS

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2015

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Health Care Services Reserve	\$ 319,317	\$ 7,230,602	\$ 5,984,171	\$ 1,565,748
Student activity funds:				
High School:				
Art Club	-	1,657	1,058	599
Band	36,449	123,529	144,754	15,224
Student band account	22	2,944	2,966	-
BCD Club	-	5,322	3,491	1,831
Big trip account	12	248,535	248,514	33
Broadcasting	1,614	-	195	1,419
FBLA	1,552	1,760	357	2,955
FBLA Store	748	-	-	748
Cheerleaders	265	23,400	21,202	2,463
Chorus	5,495	21,137	23,760	2,872
Class of 2015	-	1,200	1,200	-
Class of 2016	2,400	5,356	6,965	791
Class of 2017	1,200	1,200	-	2,400
Class of 2018	-	1,200	-	1,200
Color guard	545	759	366	938
Debate	1,760	4,006	4,512	1,254
Dodger	-	120	120	-
Drama club	2,560	4,624	4,232	2,952
Drill team	10,258	48,159	51,946	6,471
Drill team student accounts	775	-	-	775
International club	1,652	150	496	1,306
FFA	63	12,550	11,498	1,115
FCCLA	4,287	2,704	4,251	2,740
Forensics	-	2,053	1,595	458
HOSA	4,107	4,390	3,134	5,363
Heritage panel	42	-	-	42
Image makers	97	119	-	216
NHS	1,951	2,137	1,785	2,303
Octagon club	1,284	149	200	1,233
Orchestra	157	19,429	16,958	2,628
Orchestra Student Accounts	-	4,500	-	4,500
Outdoor Club	-	773	-	773
SADD	1,930	1,968	3,091	807
Student council	1,641	4,319	3,306	2,654
DC Union	7	5,910	5,834	83
FCA	672	-	-	672
Future teacher club	6	-	-	6
Skills USA	420	2,512	989	1,943
Gay-Straight Alliance	39	-	-	39
Science Olympiad	1,716	445	847	1,314
Hero club	2,288	325	1,997	616
Subtotal High School	88,014	559,341	571,619	75,736

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

AGENCY FUNDS

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS**

For the Year Ended June 30, 2015

<u>Funds</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Student activity funds (continued):				
Dodge City Middle School:				
Student council	\$ 1,620	\$ 2,934	\$ 3,884	\$ 670
DCMS heritage panel	389	-	-	389
Drill team	976	4,337	4,074	1,239
Spirit club	236	10,676	10,223	689
NJHS	169	160	202	127
Scholars bowl	37	654	568	123
Drama club	291	500	490	301
Subtotal Middle School	<u>3,718</u>	<u>19,261</u>	<u>19,441</u>	<u>3,538</u>
Comanche Middle School:				
Student council	655	1,223	814	1,064
Drill team	456	3,244	2,686	1,014
Spirit club	10,582	16,568	25,088	2,062
JR NHS	250	495	253	492
Chorus	2,548	3,063	3,521	2,090
Miscellaneous student income	11	-	-	11
Subtotal Comanche Middle School	<u>14,502</u>	<u>24,593</u>	<u>32,362</u>	<u>6,733</u>
Subtotal student activity funds	<u>106,234</u>	<u>603,195</u>	<u>623,422</u>	<u>86,007</u>
Total agency funds	<u>\$ 425,551</u>	<u>\$ 7,833,797</u>	<u>\$ 6,607,593</u>	<u>\$ 1,651,755</u>

See Independent Auditor's Report.

APPENDICES

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education
Unified School District No. 443
Dodge City, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Unified School District No. 443, Dodge City, Kansas as of and for the year ended June 30, 2015, and the related notes to the financial statement, and have issued our report thereon dated October 23, 2015. Our report on the financial statement disclosed that, as described in Note A to the financial statement, the District has prepared this financial statement in conformity with the accounting practices prescribed by the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered Unified School District No. 443's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statement will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Unified School District No. 443's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Unified School District No. 443's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kennedy McKee & Company LLP

October 23, 2015

Kennedy
McKee & Company LLP Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Education
Unified School District No. 443
Dodge City, Kansas

Report on Compliance for Each Major Federal Program

We have audited Unified School District No. 443's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2015. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Unified School District No. 443's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Programs

In our opinion, Unified School District No. 443 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Unified School District No. 443 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kennedy McKee & Company LLP

October 23, 2015

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2015

Federal grantor/ pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Unencumbered cash (deficit) beginning of year	Canceled encumbrances	Receipts	Expenditures	Unencumbered cash (deficit) end of year
<u>U.S. Department of Health and Human Services</u>							
Direct Program:							
Head Start - 2014-15	93.600	N/A	\$ -	\$ -	\$ 1,287,994	\$ 1,643,943	\$ (355,949)
Head Start T/TA - 2014-15	93.600	N/A	-	-	27,865	27,940	(75)
Head Start - 2013-14	93.600	N/A	(448,361)	196	448,165	-	-
Head Start T/TA - 2013-14	93.600	N/A	(1,420)	85	1,335	-	-
Passed through Kansas Department of Social and Rehabilitation Services:							
Child Care and Development Block Grant:							
Kansas Early Head Start - 2014-15	93.575	EHS-15-07100200	-	-	312,121	433,734	(121,613)
Kansas Early Head Start - 2013-14	93.575	EHS-14-07100200	(99,372)	10	99,362	-	-
			(549,153)	291	2,176,842	2,105,617	(477,637)
<u>U.S. Department of Education</u>							
Passed through Kansas Department of Education:							
Title I:							
Title I - Program Improvement	84.010	15443	-	-	26,818	26,818	-
Title I - 2014-15	84.010	15443	-	-	1,243,822	1,243,822	-
Title I - 2014-15 Carryover	84.010	15443	-	-	196,103	196,103	-
Migrant Programs:							
Migrant - 2014-15	84.011	15M443	-	-	554,271	800,000	(245,729)
Migrant - 2013-14	84.011	14M443	(233,748)	4	233,748	4	-
Migrant - 2014-15	84.011	15M443	-	-	20,314	20,314	-
Migrant Family Literacy - 2012-13	84.011	13M443	696	-	-	696	-
Title IIA:							
Teacher Quality - 2014-15	84.367	15443	-	-	199,404	199,404	-
Teacher Quality - 2014-15 Carryover	84.367	15443	-	-	18,000	18,000	-
Teacher Quality - 2014-15	84.367	15443	-	-	120	120	-
Carl Perkins:							
Program Improvement - 2014-15	84.048	6686	-	-	63,096	65,446	(2,350)
Program Improvement - 2014-15	84.048	6686	-	-	216	216	-

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

For the Year Ended June 30, 2015

Federal grantor/ pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Unencumbered cash (deficit) beginning of year	Canceled encumbrances	Receipts	Expenditures	Unencumbered cash (deficit) end of year
<u>U.S. Department of Education (continued)</u>							
Passed through Kansas Department of Education (continued)							
Title III:							
English Language Acquisition - 2013-14	84.365	14443	\$ (163,101)	\$ -	\$ 163,101	\$ -	\$ -
English Language Acquisition - 2014-15	84.365	15443	-	-	197,396	283,867	(86,471)
			(396,153)	4	2,916,409	2,854,810	(334,550)
<u>U.S. Department of Health and Human Services</u>							
Passed through Kansas Department of Education:							
Youth Risk Behavior Survey	93.079	N/A	-	-	3,112	3,112	-
<u>U.S. Department of Agriculture</u>							
Passed through Kansas Department of Education:							
School Breakfast Program	10.553	N/A	-	-	621,165	621,165	-
National School Lunch Program	10.555	N/A	-	-	2,815,986	2,815,986	-
Summer Food Service Program for Children	10.559	N/A	-	-	139,139	139,139	-
Team Nutrition Grants	10.574	N/A	-	-	4,530	4,530	-
State Administrative Expenses for Child Nutrition	10.560	N/A	-	-	1,250	1,250	-
			-	-	3,582,070	3,582,070	-
Total federal assistance			\$ (945,306)	\$ 295	\$ 8,678,433	8,545,609	\$ (812,187)
Grant funds returned to the State						(696)	
Federal expenditures per the Data Collection Form						\$ 8,544,913	

Note - The Schedule of Expenditures of Federal Awards is prepared in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas.

x - Amount was returned to the State.

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2015

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statement of Unified School District No. 443.
2. No significant deficiencies relating to the audit of the financial statement are reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of Unified School District No. 443 which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies relating to the audit of internal control over major federal programs were reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Unified School District No. 443 expresses an unmodified opinion on all major federal programs.
6. Audit findings required to be reported in accordance with Section 510(a) of OMB A-133 are reported in this schedule.
7. The programs tested as major programs included:

Migrant Program	CFDA 84.011
Head Start/Child Care and Development Block Grant Cluster:	
Head Start Program	CFDA 93.600
Kansas Early Head Start Program	CFDA 93.575
Title I	CFDA 84.010
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Unified School District No. 443 did not qualify as a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

None noted

**UNIFIED SCHOOL DISTRICT NO. 443
DODGE CITY, KANSAS**

SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended June 30, 2015

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

None relative to federal awards